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DEPARTMENT OF COMMERCE

International Trade Administration

[A-508-812]

Magnesium from Israel: Final Affirmative Determination of Sales at Less Than Fair Value

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) determines that magnesium from Israel is being, or is likely to be, sold in the United States at less than fair value (LTFV). The period of investigation (POI) is October 1, 2017 through September 30, 2018. The final estimated dumping margins of sales at LTFV are shown in the Final Determination section of this notice.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Bryan Hansen or Minoo Hatten, AD/CVD Operations, Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3683 or (202) 482-1690, respectively.

SUPPLEMENTARY INFORMATION:

Background

On June 4, 2019, Commerce published the *Preliminary Determination* of this LTFV investigation, in which Commerce found that magnesium from Israel was sold at LTFV.¹ A complete summary of the events that occurred since Commerce published the *Preliminary*

¹ See *Magnesium from Israel: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures*, 84 FR 32712 (July 9, 2019) (*Preliminary Determination*).

Determination, as well as a full discussion of the issues raised by parties for this final determination, may be found in the Issues and Decision Memorandum.² The Issues and Decision Memorandum is a public document and is available electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov> and to all parties in the Central Records Unit, Room B-8024 of Commerce's main building. In addition, a complete version of the Issues and Decision Memorandum can be accessed at <http://enforcement.trade.gov/frn/>. The signed and the electronic versions of the Issues and Decision Memorandum are identical in content.

Scope of the Investigation

The product covered by this investigation is magnesium from Israel. For a complete description of the scope of this investigation, *see* Appendix I.

Scope Comments

In accordance with the *Preamble* to Commerce's regulations,³ the *Initiation Notice* set aside a period of time for parties to raise issues regarding product coverage (*i.e.*, scope of the investigation).⁴ No interested party commented on the scope of the investigation as it appeared in the *Initiation Notice*. Therefore, Commerce is not modifying the scope language as it appeared in the Initiation Notice. *See* the scope in Appendix I to this notice.

Verification

As provided in section 782(i) of the Tariff Act of 1930, as amended (the Act), Commerce

² See Memorandum, "Issues and Decision Memorandum for the Final Determination in the Less-Than-Fair-Value Investigation of Magnesium from Israel," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

³ See *Antidumping Duties; Countervailing Duties, Final Rule*, 62 FR 27296, 27323 (May 19, 1997) (*Preamble*).

⁴ See *Magnesium from Israel: Initiation of Less-Than-Fair-Value Investigation*, 83 FR 58533 (November 20, 2018) (*Initiation Notice*).

verified the sales and cost data reported by Dead Sea Magnesium, Ltd. (DSM) for use in our final determination. We used standard verification procedures, including an examination of relevant accounting and production records, and original source documents provided by the respondent.

Analysis of Comments Received

All issues raised in the case briefs and rebuttal briefs submitted by interested parties in this proceeding are discussed in the Issues and Decision Memorandum. A list of the issues raised by parties and responded to by Commerce in the Issues and Decision Memorandum is attached at Appendix II.

Changes Since the *Preliminary Determination*

Based on our analysis of the comments received and our findings at verification, we made certain changes to the margin calculations for DSM since the *Preliminary Determination*. For a discussion of these changes, *see* the Issues and Decision Memorandum.

All-Others Rate

Section 735(c)(5)(A) of the Act provides that the estimated weighted-average dumping margin for all other producers and exporters not individually investigated shall be equal to the weighted average of the estimated weighted-average dumping margins established for individually investigated exporters and producers, excluding any margins that are zero or *de minimis* or any margins determined entirely under section 776 of the Act. DSM is the sole mandatory respondent in this investigation. Commerce calculated an estimated weighted-average dumping margin for DSM that is not zero, *de minimis*, or based entirely on facts otherwise available. Therefore, for purposes of determining the all-others rate, and pursuant to section 735(c)(5)(A) of the Act, we are using the estimated weighted-average dumping margin

calculated for DSM, as referenced in the “Final Determination” section below.

Final Determination

Commerce determines that the following estimated weighted-average dumping margins exist for the period October 1, 2017 through September 30, 2018:

Producer/Exporter	Weighted-Average Dumping Margin (percent)
Dead Sea Magnesium, Ltd.	218.98
All Others	218.98

Continuation of Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, we will instruct U.S. Customs and Border Protection (CBP) to continue the suspension of liquidation of all appropriate entries of magnesium from Israel, as described in Appendix I to this notice, which were entered, or withdrawn from warehouse, for consumption on or after July 9, 2019, the date of publication of the *Preliminary Determination* of this investigation in the *Federal Register*.

Pursuant to section 735(c)(1) of the Act and 19 CFR 351.210(d), Commerce will instruct CBP to require cash deposits equal to the weighted-average dumping margins indicated in the table above as follows: (1) the cash deposit rate for the respondents listed above will be equal to the company-specific estimated weighted-average dumping margins determined in this final determination; (2) if the exporter is not a respondent identified above, but the producer is, then the cash deposit rate will be equal to the company-specific estimated weighted-average dumping margin established for that producer of the subject merchandise; and (3) the cash deposit rate for all other producers and exporters will be 218.98 percent, the all-others estimated weighted-average dumping margin.

Commerce normally adjusts cash deposits for estimated antidumping duties by the amount of export subsidies countervailed in a companion countervailing duty (CVD) proceeding, when CVD provisional measures are in effect. Accordingly, where Commerce preliminarily made an affirmative determination for countervailable export subsidies, Commerce has offset the estimated weighted-average dumping margin by the appropriate CVD rate. In the final determination of the concurrent CVD investigation of magnesium from Israel, Commerce did not find any export subsidies.⁵ Accordingly, we are not making an adjustment to the cash deposit rate. These suspension of liquidation and cash deposit instructions will remain in effect until further notice.

Disclosure

We will disclose the calculations performed within five days of public announcement of this notice, in accordance with 19 CFR 351.224(b).

International Trade Commission Notification

In accordance with section 735(d) of the Act, Commerce will notify the International Trade Commission (ITC) of its final determination. Because the final determination is affirmative, in accordance with section 735(b)(2) of the Act, the ITC will make its final determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports of magnesium from Israel no later than 45 days after our final determination. If the ITC determines that material injury or threat of material injury does not exist, the proceeding will be terminated and all cash deposits will be refunded. If the ITC determines that such injury does exist, Commerce will issue an antidumping duty order directing CBP to assess antidumping duties on all imports of the subject merchandise entered, or

⁵ See Memorandum, “Magnesium from Israel: Final Affirmative Countervailing Duty Determination,” dated concurrently with this notice.

withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation.

Notification Regarding Administrative Protective Orders

This notice serves as a reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return or destruction of APO materials, or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and the terms of an APO is a violation subject to sanction.

This determination and this notice are issued and published pursuant to sections 735(d) and 777(i)(1) of the Act and 19 CFR 352.210(c).

Dated: November 21, 2019.

Jeffrey I. Kessler,
Assistant Secretary
for Enforcement and Compliance.

Appendix I

Scope of the Investigation

The products covered by this investigation are primary and secondary pure and alloy magnesium metal, regardless of chemistry, raw material source, form, shape, or size (including, without limitation, magnesium cast into ingots, slabs, t-bars, rounds, sows, billets, and other shapes, and magnesium ground, chipped, crushed, or machined into raspings, granules, turnings, chips, powder, briquettes, and any other shapes). Magnesium is a metal or alloy containing at least 50 percent by actual weight the element magnesium. Primary magnesium is produced by decomposing raw materials into magnesium metal. Secondary magnesium is produced by recycling magnesium-based scrap into magnesium metal. The magnesium covered by this investigation also includes blends of primary magnesium, scrap, and secondary magnesium.

The subject merchandise includes the following pure and alloy magnesium metal products made from primary and/or secondary magnesium: (1) products that contain at least 99.95 percent magnesium, by actual weight (generally referred to as “ultra-pure” or “high purity” magnesium); (2) products that contain less than 99.95 percent but not less than 99.8 percent magnesium, by actual weight (generally referred to as “pure” magnesium); and (3) chemical combinations of magnesium and other material(s) in which the magnesium content is 50 percent or greater, but less than 99.8 percent, by actual weight, whether or not conforming to an “ASTM Specification for Magnesium Alloy.”

The scope of this investigation excludes mixtures containing 90 percent or less magnesium in granular or powder form by actual weight and one or more of certain non-magnesium granular materials to make magnesium-based reagent mixtures, including lime, calcium metal, calcium silicon, calcium carbide, calcium carbonate, carbon, slag coagulants, fluorspar, nepheline syenite, feldspar, alumina (A1203), calcium aluminate, soda ash, hydrocarbons, graphite, coke, silicon, rare earth metals/mischmetal, cryolite, silica/fly ash, magnesium oxide, periclase, ferroalloys, dolomite lime, and colemanite.

The merchandise subject to this investigation is classifiable under items 8104.11.0000, 8104.19.0000, and 8104.30.0000 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS items are provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

Appendix II

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Investigation
- IV. Changes Since the Preliminary Determination
- V. Discussion of the Issues
 - Comment 1: Whether to Treat Chlorine and Sylvanite as By-products or Co-products
 - Comment 2: Transfer Price of Wet Carnallite
 - Comment 3: General and Administrative Expenses Ratio
 - Comment 4: Constructed Value Selling Expenses and Profit
 - Comment 5: U.S. Warehousing Expenses
 - Comment 6: Short-term Interest Rate, Credit Expenses and Inventory Carrying Costs
- VI. Recommendation

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